GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:853
ANSWERED ON:19.07.2002
WORLD FOOD SUMMIT
BRAHMANAND MANDAL

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether World Food Conference was organised by the United Nations Food and Agriculture Organisation in Rome;

(b) the details of subjects with regard to food and agriculture discussed and the decisions taken in the conference;

(c) the difference of subsidy fixed for the agricultural products of developed and developing countries;

(d) whether due to the policies of free trade and World Trade Organisation, developing countries are getting lesser markets; and

(e) if so, the details thereof and the corrective measures taken in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SH KRISHNAM RAJU)

(a): Yes, Sir. The World Food Summit: Five years later was held in Rome from June 10-13, 2002.

(b): The World Food Summit: Five Years Later was held to review the progress towards achieving the objectives of the Rome Declaration on World Food Security adopted at the World Food Summit in 1996 and the World Food Summit Plan of Action, and to re-affirm the political will and commitment to achieving food security for all. The Conference discussed various aspects relating to food security like national production and distribution of food, sustainable agriculture and rural development, equitable trade regime, multilateral and bilateral development assistance etc.

The summit reaffirmed the urgent need to reinforce the efforts of all concerned partners in the form of International Alliance Against Hunger for fulfillment of objectives of 1996 summit and the right of everyone to have access to safe and nutritious food. The summit urged developed countries to contribute 0.7% of their Gross National Product as Official Development Assistance (ODA) to developing countries and called for an increase in allocations for agricultural and rural development both in the national budgets of developing countries and in total lending of international financial institutions. The Conference also proposed the establishment of an Inter Governmental Working Group to develop a set of voluntaryguidelines to support the efforts of member states to achieve the right to adequate food in the context of national food security.

(c): In terms of WTO Agreement on Agriculture, Domestic Support is divided into two categories -
(i) support with no or minimal trade distorting effect and,
(ii) trade distorting support. It is only in case of trade distorting support that the limits have been fixed. The trade distorting support is measured in terms of Aggregate Measurement of Support (AMS), whichis expressed as a percentage of the total value of agricultural production. The developed countries are allowed to provide AMS up to 5% of their total value of agricultural productionand the developing countries have been allowed 10% of the total value of their agricultural production. The domestic support given in base period (1986-88), measured in terms of AMS, over and above these limits is required to be reduced by 20% in developed countries, and 13.3% in developing countries during the implementation period. In the area of Export Subsidies, the developed countries are required to reduce, over a period of six years the base period

(1986-90) volume of subsidized export by 21% and the corresponding budgetary outlays by 36%. For the developing countries, these reductions are 14% in volume terms and 24% in budgetary outlays over a period of 10 years.

(d)&(e): WTO provides a predictable rule based multi-lateral trading system which protects the developing countries from the bilateral pressures of developed trading partners. However, continued high levels of domestic support, export subsidies, high tariffs, tariff peaks and escalation and tariff rate quotas in the developed countries, depress the international prices of the agricultural commodities and deny meaningful market access opportunities to the developing countries. In view of this, India in its negotiating proposal filed with the WTO has demanded substantial reduction in domestic support and elimination of export subsidies by the developed countries. In Doha Declaration also, Ministers have decidedto engage into negotiations aimed at substantial improvement in market access; reduction of, with a view to phasing out, all forms of export subsidies; and substantial reduction in trade distorting domestic support.